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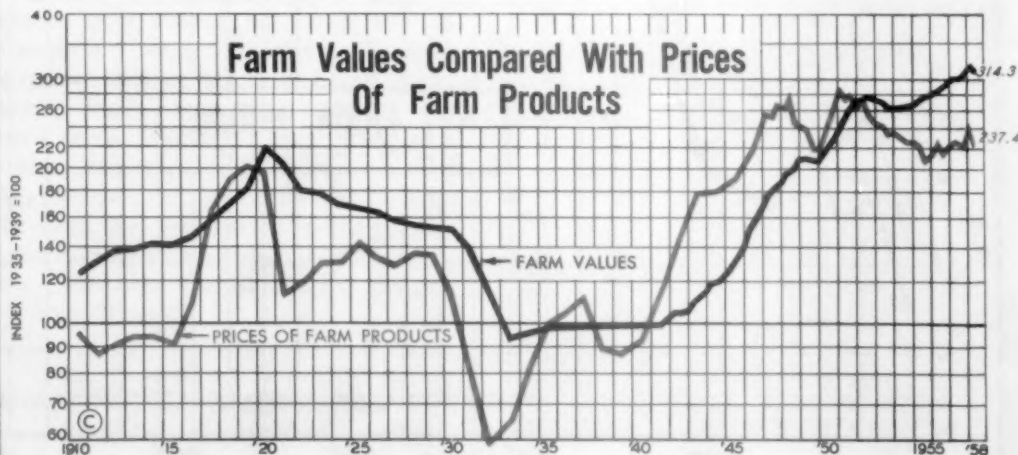
Real Estate Economists, Appraisers and Counselors

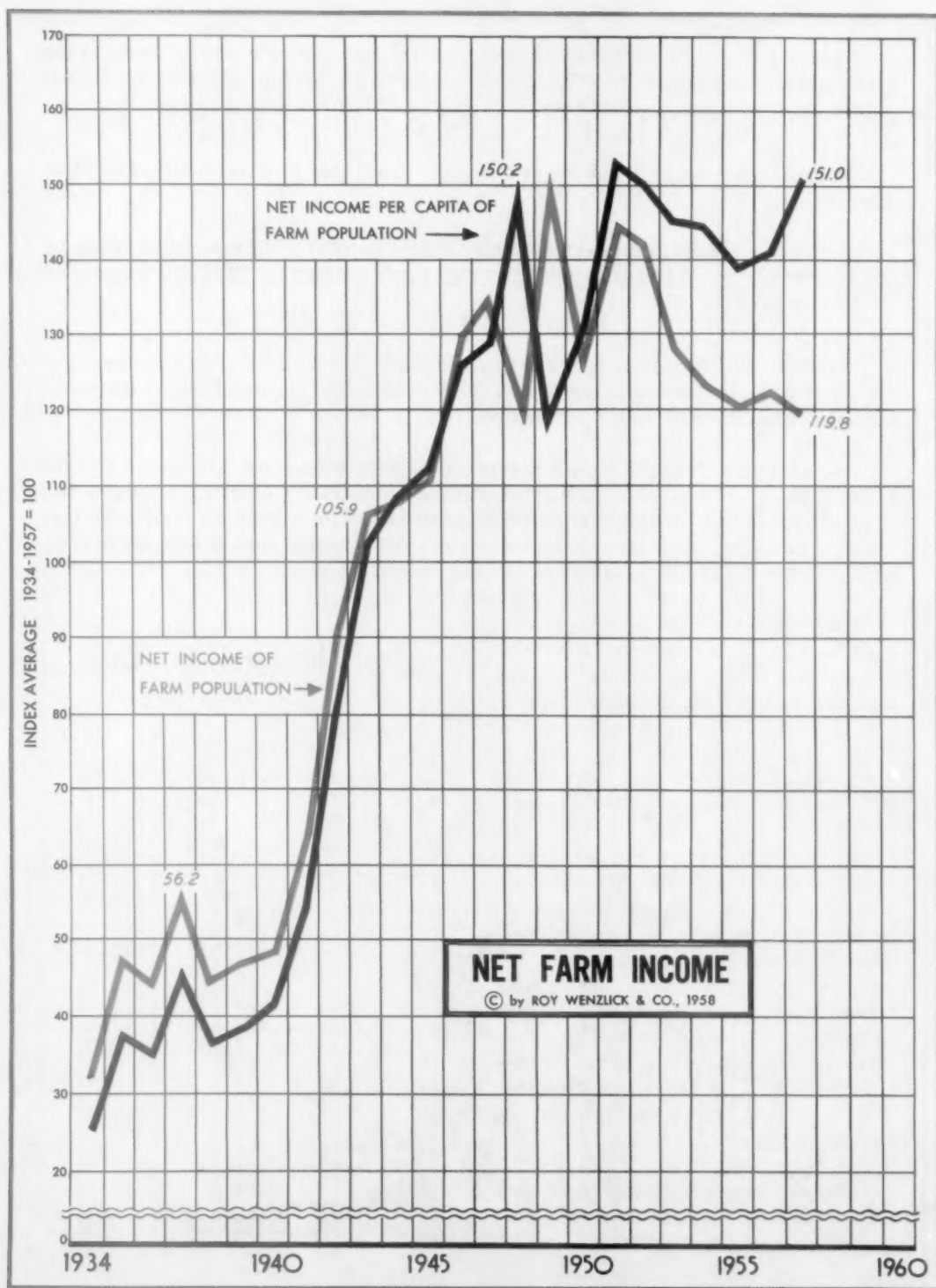
AGRICULTURAL INDUSTRY SHOWS STRENGTH

THE counter trend of farm values and prices of farm products reflects a whole series of technological advances. Thousands of commercial farmers find that more acreage is needed to make more efficient use of the machinery they now own, or intend to buy. Cutbacks in crop acreage as a result of the acreage-allotment and price support programs have caused farmers to acquire additional land with allotments. Furthermore, farmers are in a more favorable financial position to purchase more land either from savings or by a mortgage on their total holdings. Consequently, they bid up the price of the limited land that is for sale. The return from the increased acreage is often greater because little additional labor or equipment is needed to operate the larger farm unit.

The following table shows the increase in the average size of farms in the United States since 1930:

<u>Year</u>	<u>Acres</u>	<u>Year</u>	<u>Acres</u>
1930	157	1945	195
1935	155	1950	215
1940	174	1955	242





Values per acre by States and their percentage change can be seen in the table and map on page 503. The national average market value of farm real estate reached a new record high of \$100.24 in the first quarter of this year.

Increases range from 3% in Illinois, Iowa, and Pennsylvania, to 15% in Florida.

Gross income from farms declined slightly in 1957, but estimates made by the Department of Agriculture through the third quarter of 1958 are way ahead of the comparable 1957 period.

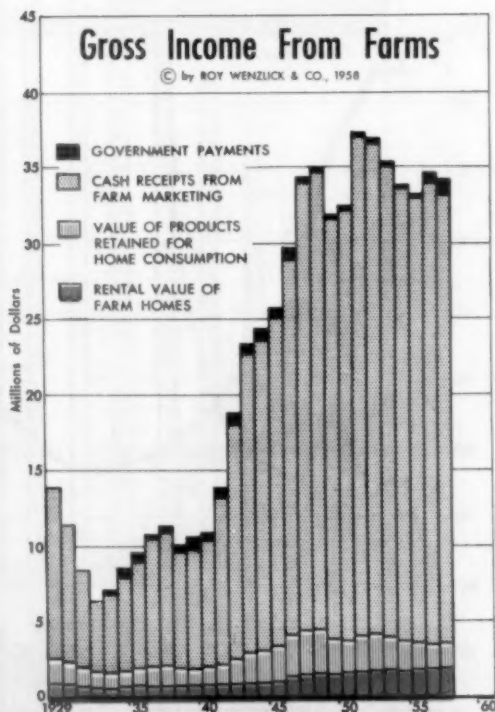
Farm income per capita ran higher in 1957 than in 1956. Agricultural inventory accumulation increased between 1956 and 1957, accounting for approximately 7% of farmers' total net income.

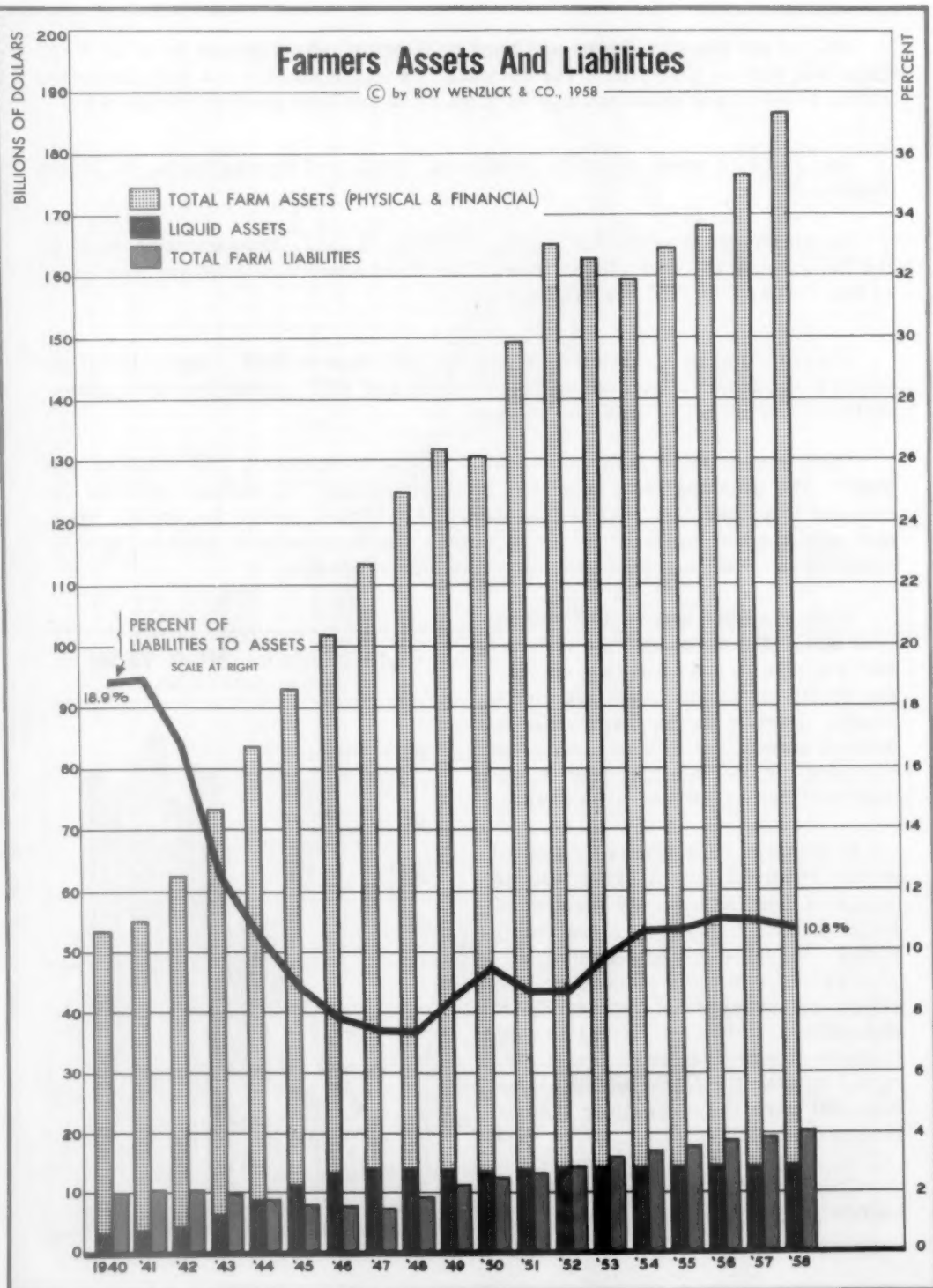
Cash income from farm marketings in 1958 is running 11% ahead of last year. The principal rise has been in meat animals. Livestock receipts increased 10% over last year's 9-month total. Higher prices for cattle, hogs, and eggs account for most of the increase. Marketings have declined moderately but the rise in prices has more than offset this drop.

Crop receipts are up 13% from a year ago. The increase is attributable to a rise in marketing volume, due mostly to bigger wheat and cotton crops. Part of the increase reflects delayed marketings of such crops as corn and cotton from last year's late harvest. Prices showed little change.

So far this year the average of prices received for all crops was as high as a year ago chiefly because of large advances in winter and early spring vegetable prices following severe frost damage. According to a recent release by the Department of Agriculture, prices received by farmers for their marketings declined seasonally from mid-September, but were the highest for the period in 6 years.

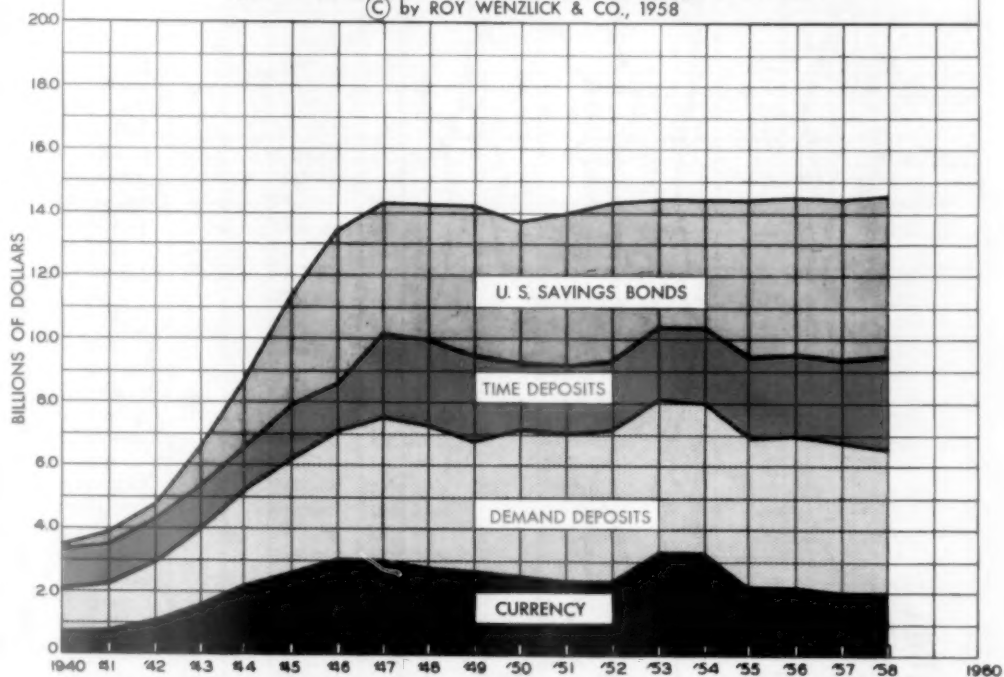
Crop production is setting a new record in 1958. A considerable part
(cont. on page 504)





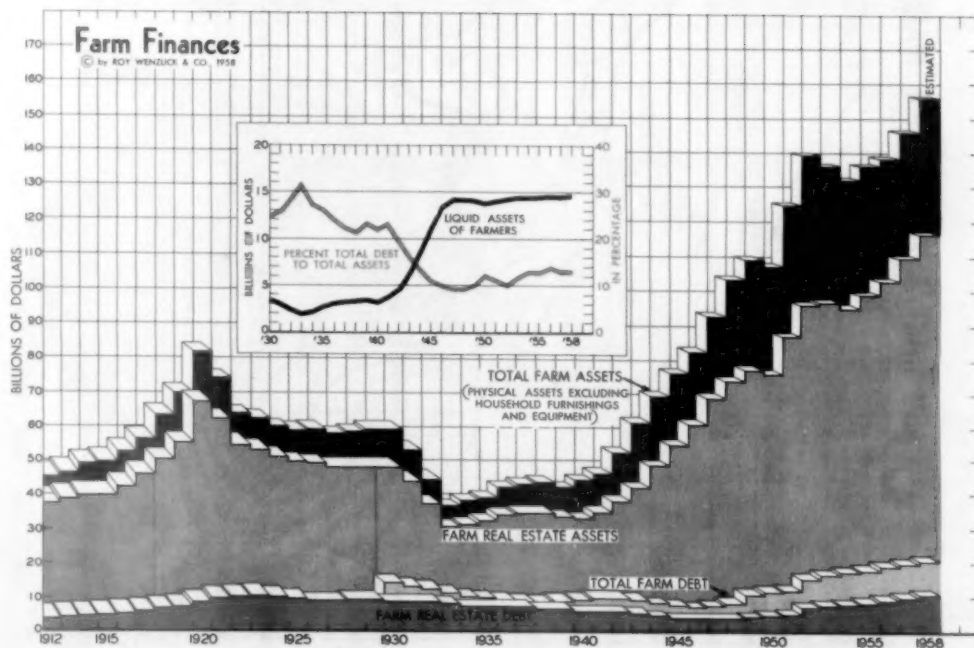
Liquid Financial Assets Owned By Farmers

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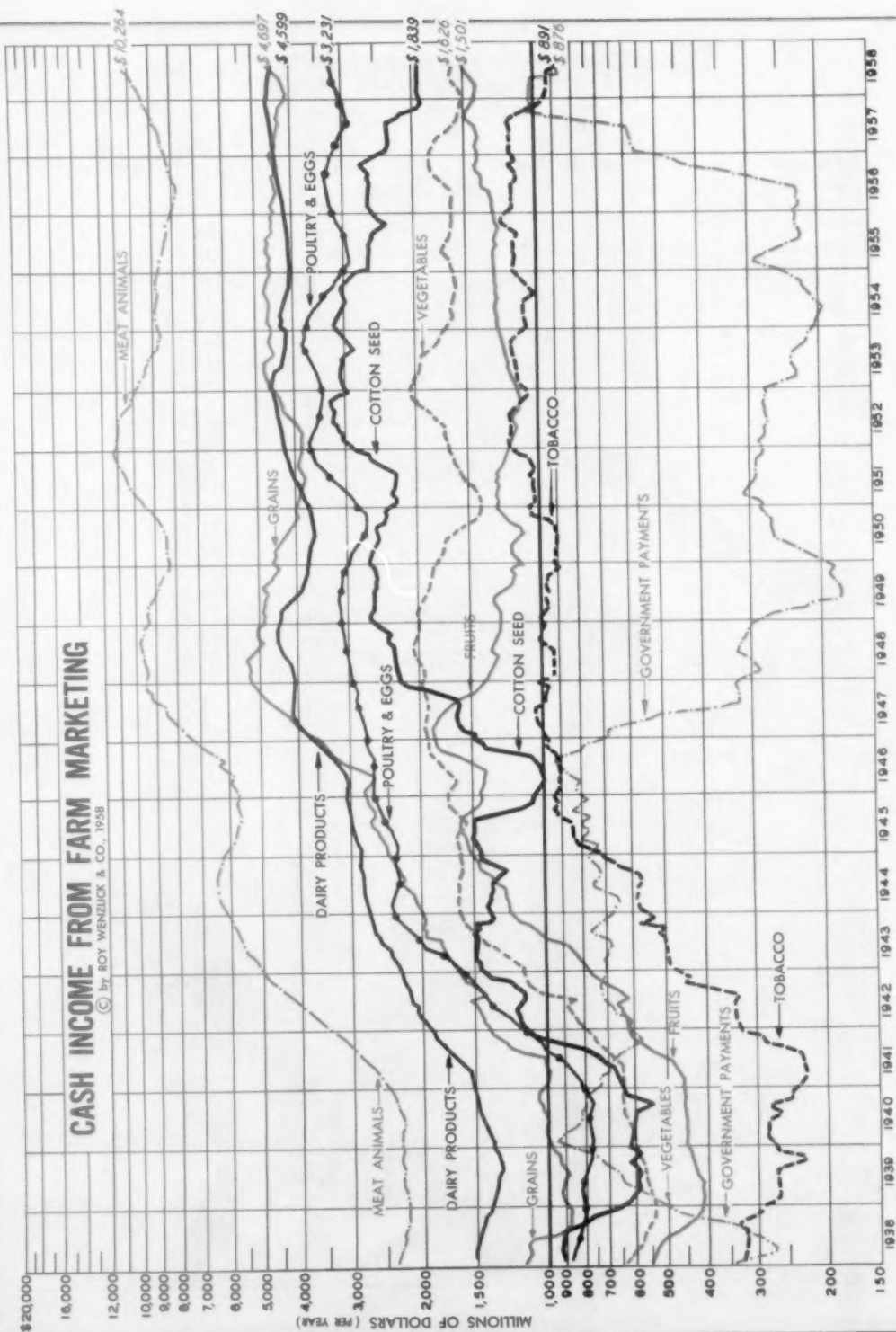
Farm Finances

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CASH INCOME FROM FARM MARKETING

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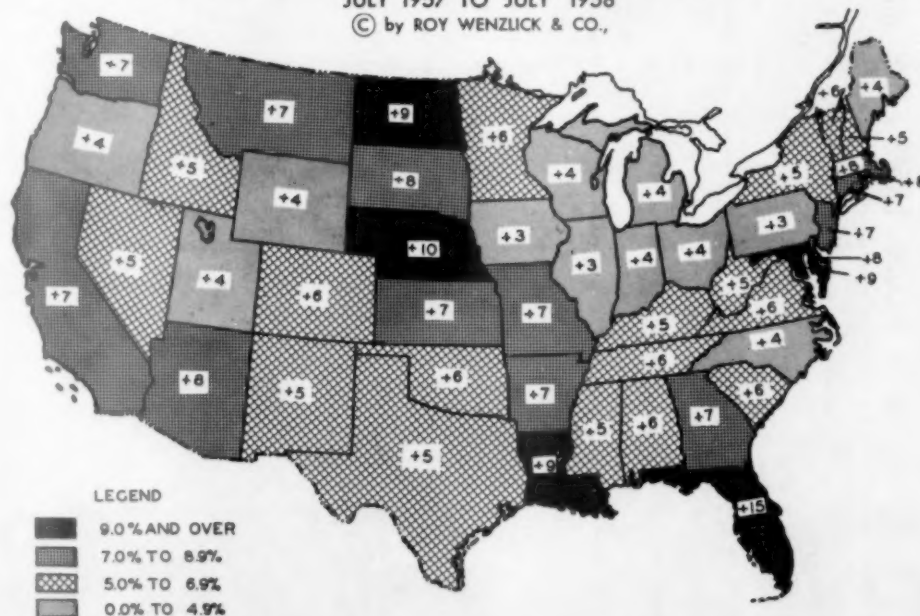
FARM VALUES PER ACRE BY STATES
U. S. Department of Agriculture Estimates

	July			July	
	1957	1958		1957	1958
Alabama	\$ 69.03	\$ 73.42	Nebraska	\$ 74.10	\$ 81.18
Arizona	39.90	43.16	Nevada	32.31	33.94
Arkansas	87.19	92.97	New Hampshire . .	92.56	97.59
California	273.37	293.33	New Jersey	495.35	530.48
Colorado	37.35	39.67	New Mexico	20.35	21.30
Connecticut	342.23	366.30	New York	115.53	121.42
Delaware	180.13	194.47	North Carolina . .	143.85	149.78
Florida	159.84	183.97	North Dakota . . .	40.92	44.41
Georgia	76.27	81.70	Ohio	227.14	235.83
Idaho	104.47	109.64	Oklahoma	71.39	75.83
Illinois	265.48	273.97	Oregon	82.16	85.63
Indiana	230.96	240.99	Pennsylvania . . .	163.12	168.42
Iowa	221.68	227.37	Rhode Island . . .	360.53	389.01
Kansas	88.43	95.02	South Carolina . .	103.66	109.79
Kentucky	104.48	109.23	South Dakota . . .	41.99	45.39
Louisiana	136.11	148.13	Tennessee	100.59	106.52
Maine	64.17	66.58	Texas	67.69	71.34
Maryland	202.07	219.50	Utah	51.36	53.42
Massachusetts . . .	246.08	266.24	Vermont	69.01	73.45
Michigan	155.04	161.60	Virginia	120.00	127.19
Minnesota	128.93	136.39	Washington	136.64	146.25
Mississippi	86.99	91.03	West Virginia . . .	77.85	81.93
Missouri	90.96	97.72	Wisconsin	114.09	118.36
Montana	26.96	28.75	Wyoming	16.33	17.04

Percentage Change In Dollar Value Of Farmlands

JULY 1957 TO JULY 1958

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(cont. from page 499)

of the increase is in crops for which price supports have been established. Estimated budget expenditures by the Commodity Credit Corporation for price support purposes during the 1958-59 fiscal year were increased substantially in the Federal budget review released in September.

In the past 25 years price support on wheat alone has cost the taxpayers \$4 billion. This is the expected result when the Government supports wheat at a price 60% above the world market price. The Government already holds 1.3 billion bushels of wheat worth \$2.5 billion and there is no end in sight. Wheat production in 1959 is expected to surpass the 1958 record.

Farm production costs are higher than they have ever been. Wages paid to harvest workers are at record levels. Production costs in 1958 are about 4% greater than in 1957, but the increase is not enough to offset the gain in farm income.

Currency, bank deposits, and United States savings bonds owned by farmers totaled \$14.5 billion at the beginning of 1958. A year earlier they totaled \$14.4 billion.

Demand deposits (checking accounts of farmers) have been gradually decreasing since 1952, being offset by slight increases in time deposits (savings accounts) and United States savings bonds. Savings accounts were slightly more than they were in January 1957. The cash value of United States savings bonds remained about the same compared with a year ago.

It is of interest that the strength shown in the agricultural industry has occurred during a period of slackened general economic activity.